

Agency:	107 Health Care Authority
Decision Package Code/Title:	ML2-LN FQHC/RHC Reconciliation
Budget Period:	2015 Supplemental Submittal
Budget Level:	ML2 – Maintenance Level

Recommendation Summary Text

PLACEHOLDER

The Health Care Authority (HCA) requests an adjustment to the appropriated level of funding in the 2015 supplemental for the cost of recompensing Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) associated with reconciliations from 2010 through 2013.

Package Description

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) provide access to medical services to underserved populations. These clinics provide comprehensive primary care services and preventive care to individuals regardless of their ability to pay. Therefore, they are a vital part of the state's health care safety net.

When a Medicaid managed care client visits a FQHC or RHC, the clinic receives an initial payment from the managed care organization (MCO) for that visit. At the end of the month, the clinic then receives an enhancement payment based on the number of clients assigned to them in that month by the managed care organization. This enhancement payment is intended to pay the clinics at their actual costs.

As required by the Social Security Act Title 1902(bb), the HCA is conducting a reconciliation process to ensure that the FQHCs and the RHCs were reimbursed at their full cost for calendar years 2010 to 2013. Early estimates indicate that the state will have to pay clinics an additional amount for this time period.

This placeholder requests additional spending authority to make these payments, once the amounts are finalized.

Questions related to this request should be directed to Madina Cavendish at (360) 725-1486 or at Madina.Cavendish@hca.wa.gov.

Fiscal Detail/Objects of Expenditure

	<u>FY 2015</u>	<u>Total</u>
1. Operating Expenditures:		
Fund 001-1 GF-State	\$ -	\$ -
Fund 001-2 GF-Federal	\$ -	\$ -
Fund 001-7 GF-Private/Local	\$ -	\$ -
Fund 001-C GF-Federal Medicaid Title XIX	\$ -	\$ -
Total	\$ -	\$ -

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	FY 2015	Total
2. Staffing:		
Total FTEs	-	-

	FY 2015	Total
3. Objects of Expenditure:		
A - Salaries And Wages	\$ -	\$ -
B - Employee Benefits	\$ -	\$ -
C - Personal Service Contracts	\$ -	\$ -
E - Goods And Services	\$ -	\$ -
G - Travel	\$ -	\$ -
J - Capital Outlays	\$ -	\$ -
N - Grants, Benefits & Client Services	\$ -	\$ -
Other (specify) -	\$ -	\$ -
Total	\$ -	\$ -

	FY 2015	Total
4. Revenue:		
Fund 001-2 GF-Federal	\$ -	\$ -
Fund 001-C GF-Federal Medicaid Title XIX	\$ -	\$ -
Total	\$ -	\$ -

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The HCA expects to continue to provide access to quality health care to low-income individuals in the State of Washington.

Performance Measure Detail

Activity Inventory

H010 HCA Healthy Options

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The mission of the HCA is to provide high quality health care for the state's most vulnerable residents. This request supports the agency's mission by supporting the HCA guiding principle of being a prudent purchaser of health care services.

Does this decision package provide essential support to one or more of the Governor's Results Washington priorities?

This request supports the Governor's health care goal to create a sustainable, affordable, and quality health care system.

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What are the other important connections or impacts related to this proposal?

What alternatives were explored by the agency, and why was this alternative chosen?

The HCA looked at unliquidated balances in fiscal years 2012, 2013 and 2014 to pay for these costs. However, these amounts are already assigned to cover upcoming obligations.

What are the consequences of adopting this package?

The HCA will be able to maintain services and caseload for low-income population in the State of Washington.

What is the relationship, if any, to the state capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in to implement the change?

None

Expenditure and Revenue Calculations and Assumptions

Revenue Calculations and Assumptions:

None

Expenditure Calculations and Assumptions:

Calculation will be provided at a later date.

Which costs, savings, and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Distinction between one-time and ongoing costs:

This is anticipated to be a one-time cost.

Budget impacts in future biennia:

None